

IOWA COLLEGE STUDENT AID COMMISSION

MINUTES OF MEETING

September 17, 2010

10:00 a.m.

Iowa College Student Aid Commission Conference Room

Members Present:

Janet Adams	Timothy P. Cole
Robert Denson	Bob Donley
Crystal Ford	Greg Forristall
Frederick Moore	Herman Quirmbach
Kelli Todd	Roger Utman
Cindy Winckler	

Members Absent:

Randy Feenstra	Shazia Manus
Terrence Martin	

Staff Present:

Michael Anderson	Todd Brown
Tony Girardi	Karen Misjak
Bobbi Pulley	Carolyn Small
Jami Weems	Ashley Wendt

Guests Present:

Wanda Boatwright, Ashford University
Marsha Boender, Iowa Student Loan
Cathy Corini, Maharshi University of Enlightenment and Vedic University
MJ Dolan, Iowa Association of Community College Trustees
Michelle Durand-Adams, Former Commissioner
Dwayne Ferguson, Legislative Services Agency
Ellen Jones, Maharshi University of Enlightenment and Vedic University
Chris Mason, University of Phoenix
Pamela Oliver, Tulsa Welding School
John Parker, Iowa Student Loan
Christopher Reeves, Shiloh University
Dan Richins, Ashford University
Maureen Wynne, Maharshi University of Enlightenment and Vedic University

Call to Order

The Iowa College Student Aid Commission met for a regular scheduled meeting on September 17, 2010. Commission Chair Adams called the meeting to order at 10:00 a.m. with a quorum present.

Minutes of August 19, 2010

Commissioner Moore presented a letter to Commissioners and requested that the letter be attached to the Commission Minutes. The letter stated his concerns regarding the 6% state appropriated dollars for grants and scholarships be used for administrative costs to administer state programs. His vote would have been "no" on that motion.

Commissioner Denson also presented a letter of concern from the Iowa Association of Community College Trustees regarding the same issue to be added to the minutes.

Motion: Commissioner Cole moved to approve the August 19, 2010 meeting minutes as written with the two letters attached. Commissioner Ford seconded the motion which passed unanimously.

Executive Director's Report

Ms. Misjak said EverFi will be coming to the Commission next week to work with State IT and XAP to incorporate the tool into the I Have a Plan website. Commission staff is moving forward with the product and is very excited.

Commission staff will be officially in the new office location on October 25, 2010. Ms. Misjak said staff will begin packing on October 7, 2010 and that all Directors have toured the new office space. The remodel is costing the Commission approximately \$500,000. It will take at least 2.5 years to recoup the remodel expense. The November Commission Meeting will be held at the Iowa Association of Community College Trustees building.

The Cohort Default Rates have been published. Ms. Misjak said the Commission's cohort default rate is 8.9 percent and the national average is 7 percent.

The Commission has received the John R. Justice Grant program funds totaling \$100,000. This is a new grant program for public defenders and public prosecutors.

Ms Misjak said there was one finding in the June 30, 2009 year-end audit. The finding was regarding Commissioner attendance. There were no findings pertaining to the Commission's Financial Statements.

ETV and Opportunity Foster Care Grant Contract

Motion: Commissioner Denson moved to authorize the Executive Director to extend the agreement with the Iowa Department of Human Services for the administration of the Education Training Voucher (ETV) and Opportunity Foster Care Grant Program for the October 1, 2010 to September 30, 2011 term. Commissioner Moore seconded the motion which passed unanimously.

Postsecondary Registration

Ms. Small said Shiloh University is requesting an exemption from postsecondary registration. It is recommended that Shiloh University be required to disclose on its admission application and prominently on its website that, presently, the University does not permit persons who are not congregants of the Living Word Fellowship to enroll in coursework that counts toward completion of a degree conferred by the University. Commissioner Denson also would like to see a list of affiliated churches posted on the University's website as well.

Motion: Commissioner Moore moved to approve the application for exemption from postsecondary registration for Shiloh University with the condition that Shiloh University be required to disclose on its admission application and prominently on its website that, presently, the University does not permit persons who are not congregants of the Living Word Fellowship to enroll in coursework that counts toward completion of a degree conferred by the University as well as post a list of affiliated churches. Commissioner Cole seconded the motion which passed unanimously.

Maharishi University of Enlightenment and Maharshi Vedic University have requested exemption from postsecondary registration. Ms. Small said both universities qualify for the claimed exemption because they are non-profit postsecondary institutions established for the purpose of granting postsecondary degrees by an ordinance of a recognized, incorporated Iowa city.

Motion: Commissioner Denson moved to approve the applications for exemption from postsecondary registration for Maharishi University of Enlightenment and Maharshi Vedic University.

Commissioner Moore seconded the motion which passed, with Commissioner Donley abstaining.

Ms. Small said Tulsa Welding School has submitted an application for postsecondary registration. Staff recommends approval of the application for postsecondary registration for Tulsa Welding School (TWS), with the stipulation that TWS accomplish all of the following to the satisfaction of Commission staff within 60 calendar days after September 17, 2010:

- Finalize and implement a policy for the refund of institutional charges to Iowa residents that meets the requirements of Iowa Code Section 714.23.
- Finalize a policy to address institutional charges to Iowa residents that meets the requirements of Iowa Code Section 261.9(1)(g). Iowa residents impacted by this policy are members of the Iowa National Guard or reserve members of the U.S. Armed Forces, or the spouses of such members if the members have dependent children, who must withdraw because of a call to active state or federal military service or duty.
- Incorporate into the school's catalogue the policies required by Iowa Code Sections 714.23 and 261.9(1)(g).
- Provide an institutional refund that at least meets the requirements of Iowa Code Sections 714.23 or 261.9(1)(g), as applicable, to any Iowa resident that withdraws from a TWS program on or after the effective date of the Commission's TWS registration approval.

Motion: Commissioner Moore moved to approve the application for postsecondary registration for Tulsa Welding School (TWS), with the stipulation that TWS accomplish all of the following to the satisfaction of Commission staff within 60 calendar days after September 17, 2010:

- Finalize and implement a policy for the refund of institutional charges to Iowa residents that meets the requirements of Iowa Code Section 714.23.
- Finalize a policy to address institutional charges to Iowa residents that meets the requirements of Iowa Code Section 261.9(1)(g). Iowa residents impacted by this policy are members of the Iowa National Guard or reserve members of the U.S. Armed Forces, or the spouses of such members if the members have dependent children, who must withdraw because of a call to active state or federal military service or duty.
- Incorporate into the school's catalogue the policies required by Iowa Code Sections 714.23 and 261.9(1)(g).
- Provide an institutional refund that at least meets the requirements of Iowa Code Sections 714.23 or 261.9(1)(g), as applicable, to any Iowa resident that withdraws from a

TWS program on or after the effective date of the Commission's TWS registration approval.

Commissioner Cole seconded the motion which passed unanimously.

Legislative Action Committee

Chair Adams said the Legislative Action Committee recommends that the Iowa Tuition Grant proposal not be advanced during the 2011 legislative session. Two key factors were discussed in making this decision -- the unknown number of students this would add to the ITG eligibility pool and the fact that it is unlikely that an increase will be made in the ITG appropriation for FY2010.

Motion: Commissioner Moore moved to accept the recommendation that the Iowa Tuition Grant proposal not be advanced during the 2011 legislative session. Commissioner Denson seconded the motion which passed unanimously.

Ms. Small reported on Chapter 714, the consumer protection law, is very unclear, and that the Attorney General's office fully supports the Commission staff's recommended policy changes. The Legislative Committee discussed the idea of charging a fee for processing Chapter 714 applications. While a fee is a good idea, it was determined that it would be unreasonable to expect applicants under this Section to submit fees which would support the administration of both Chapter 261B and Section 714 of Iowa law. Commissioner Winckler noted that fees currently collected under Chapter 261B go to the general fund, not to the Commission. The Legislative Committee has recommended that the Commission receive the fees for administration of the program. The Commission has been able to utilize funding from other sources to support the administration of postsecondary registration. However, as we move forward, the funding source will not be available and the Commission must find a way to provide these services. Ms. Misjak said staff also made changes to the policy to help the public understand postsecondary registration. Staff would like to have the policy clean-up approved. Commissioner Quirmbach said the clean-up language could be included along with fee language without setting an exact fee. Then, legislators could set a fee to run the program. Commissioner Moore said he supports the language as long as it does not adversely affect students. Commissioner Winckler said the Legislature has an up hill battle in allowing the fees to come to the Commission. Ms. Misjak said it was never the intent of the federal government that state agencies would use federal money to support state programs and services.

Motion: Commissioner Moore moved that the Commission seek authority to charge a reasonable fee for out of state entities required to register under Chapter 261B and Section 714

and that the fee be set in a later discussion with the intention of recouping as much of the administrative cost as possible. Commissioner Denson seconded the motion.

Discussion: Commissioner Cole said the fee issue is difficult and recommended that the policy language in Chapter 714 be advanced. He recommended that the fee issue be addressed at a later date. Commissioner Moore and Commissioner Denson withdrew their motion.

Motion: Commissioner Ford moved that the Commission advance language to clarify the policy language in Chapter 714 and authorize staff to present the language to the General Assembly. Commissioner Denson seconded the motion which passed unanimously.

Commissioner Winckler said it is always helpful to identify fees and it would be beneficial to Legislators if a recommendation were made with respect to the fees.

Motion: Commissioner Moore moved that the Commission advance language that Chapter 261B fees be directed to the Commission rather than to the state's general fund for administration of postsecondary registration. He further moved that the Commission address fees under Section 714. Commissioner Denson seconded the motion which passed unanimously.

Human Resources and Nominations Committee

Motion: Commissioner Ford moved to accept Commissioner Janet Adams as Chair and Commissioner Tim Cole as Vice-Chair for FY11. Commissioner Moore seconded the motion which passed unanimously.

Chair Adams presented former Commissioner Durand-Adams with a plaque thanking her for her service on the Commission from 1994 to 2010. Ms. Durand-Adams thanked the Commission stating it was a privilege to serve and the work of the Commission helps many Iowans.

Commissioner Adams welcomed new Commissioner Kelli Todd as the student representative. Commissioner Adams also informed Commissioners of the appointment of Shazia Manus to represent the lending community.

Staff Reports

Ms. Weems presented the FY 10 Revenue and Expenditure Summary, the Program Administration Final expenditures for FY10, the FY 11 Revenue and Expenditure Summary and the State FY12 Budget.

A staff report was given by Todd Brown providing an informational overview of the Iowa Tuition Grant Program. The report provided the number of recipients and expenditures for the 2009-10 academic year for the not-for-profit and for-profit Iowa Tuition Grant Programs. A summary of the recipient profiles was also given, detailing median incomes, parent's level of educational attainment, and receipt of federal means-tested benefits by recipients or family members.

Mr. Girardi gave a presentation on FAFSAs of Iowa Residents. Based on analysis of FAFSAs, the presentation addressed matters related to awareness of financial aid opportunities, financial need among Iowa residents, and issues affecting the awarding of state financial aid.

Commission Adjourned at 12:30 p.m.



JANET ADAMS, CHAIR



TIMOTHY COLE, VICE CHAIR